



Embassy of the United States of America
Port Louis, Mauritius
PRESS RELEASE

United States and Mauritius Sign Agreement to Share Tax Information

Port Louis, December 27, 2013: U.S. Ambassador to Mauritius Shari Villarosa and Mauritian Minister of Finance Xavier Luc Duval signed a tax information exchange agreement (TIEA) and an intergovernmental agreement (IGA) to implement the Foreign Account Tax Compliance Act (FATCA) to promote transparency between the two nations on tax matters. The agreement underscores growing international cooperation to end tax evasion everywhere.

The United States and Mauritius have a longstanding and close relationship that has endured for more than 200 years. That friendship extends to mutual assistance in tax matters and includes a desire to improve international tax compliance.

Ambassador Villarosa, who signed on behalf of the United States, stated, "The signing of this agreement is an important step forward in the collaboration between the United States and Mauritius to combat tax evasion. When taxpayers overseas avoid paying what they owe, other Americans have to bear a disproportionate share of the tax burden. FATCA is an important part of the U.S. government's effort to address that issue."

FATCA is rapidly becoming the global standard in the effort to curtail offshore tax evasion. To date the United States has signed 18 FATCA intergovernmental agreements, has 11 agreements in substance, and is engaged in related discussions with many other jurisdictions.

The United States enacted FATCA in 2010 to obtain information on accounts held by U.S. taxpayers in other countries. It requires U.S. financial institutions to withhold a portion of payments made to foreign financial institutions (FFIs) who do not agree to identify and report information on U.S. account holders. FFIs have the option of entering into agreements directly with the IRS, or through one of two alternative Model IGAs signed by their home country. The IGA between the United States and Mauritius is the Model 1A version, meaning that FFIs in Mauritius will be required to report tax information about U.S. account holders directly to the Mauritian government, which will in turn relay that information to the IRS. The IRS will reciprocate with similar information about Mauritian account holders in the United States.

PUBLIC AFFAIRS OFFICE

U.S. Embassy | 4th Floor, Rogers House, John Kennedy St, Port Louis | Mauritius
Tel: (230) 202 4442 | Fax: (230) 212 2808 | Website: <http://mauritius.usembassy.gov>
Facebook: <http://www.facebook.com/usembassy.portlouis>